



Regd. Office : Texcellence Complex, Near. Anupam Cinema, Khokhra, Ahmedabad - 380 021, India.

Phone : 91-79-67777000 • Fax : 91-79-22773061 • E-mail : texcellence@ashima.in

CIN No : L99999GJ1982PLC005253

22nd November, 2022

To,
BSE Limited
Corporate Relationship Department,
25th Floor, P J Towers, Dalal Street,
Fort, Mumbai – 400001
SECURITY CODE NO. 514286

To,
National Stock Exchange of India Ltd
Exchange Plaza 5th Floor, Plot no. C/1,
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
SECURITY CODE NO. ASHIMASYN

Dear Sir/ Madam,

Sub: Submission of Postal Ballot Notice under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Postal Ballot Notice of the Company dated 12th November, 2022, which is being dispatched to the members of the Company today i.e. on 22nd November, 2022 for seeking approval of the members of the Company for the Special Business as set out in the Postal Ballot Notice by way of voting through electronic means i.e. through remote e-voting system only.

In compliance with the applicable provisions of the Companies Act, 2013 and Rules framed thereunder read with the General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, the General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 08, 2021 and the General Circular No. 3/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs (the “MCA Circulars”), the Company is dispatching the Postal Ballot Notice dated 12th November, 2022 to the members on their emails ids registered with the Company/ RTA/ Depository Participants, who are shareholders of the Company as on the cut-off date i.e. Friday, 18th November, 2022.

The Company has engaged the services of CDSL for the purpose of providing remote e-voting facility to the members. **The remote e-voting period will start from 9.00 a.m. on Thursday, November 24, 2022 and will end on Friday, December 23, 2022 at 5:00 p.m.**

The Postal Ballot Notice is also available on the website of the Company at www.ashima.in

Thanking you,
Yours faithfully,
For **Ashima Limited**

Shweta Sultania
Company Secretary & Compliance Officer

Encl: As above

T E X C E L L E N C E

Visit us at <http://www.ashima.in>



Ashima Limited

CIN: L99999GJ1982PLC005253

Registered Office: Texcellence Complex, Khokhara Mehmedabad, Ahmedabad 380 021

Phone No. : 91-79-67777000 E-mail: texcellence@ashima.in

Website: www.ashima.in

NOTICE OF POSTAL BALLOT

[Notice pursuant to Section 110 of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the “**Rules**”) (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force, and as amended from time to time), Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), read with the General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, the General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 08, 2021 and the General Circular No. 3/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs, Government of India (the “**MCA Circulars**”) and pursuant to other applicable laws and regulations, that the resolution appended below is proposed for approval of the shareholders of Ashima Limited (the “**Company**”) through postal ballot (“**Postal Ballot**”) by voting through electronic means. (“**remote e-voting**”).

The explanatory statement pursuant to Section 102 of the Act pertaining to the resolution as included in the Notice of Postal Ballot, setting out the material facts concerning the resolution and the reasons thereof is annexed hereto for your consideration.

In compliance with the requirements of the above MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope is not being dispatched to the shareholders for this Postal Ballot and shareholders are required to communicate their assent or dissent through the remote e-voting system only.

The Company is providing remote e-voting facility to its Members for voting on the resolution contained in this Postal Ballot Notice. The Members can vote on such resolution through remote e-voting facility only. Assent or dissent of the Members on the resolution mentioned in Postal Ballot Notice would only be taken through the remote e-voting system as per the MCA Circulars. The instructions for remote e-voting are appended to this Postal Ballot Notice.

Pursuant to Rule 22(5) of the Rules, the Board of Directors of the Company, on November 12, 2022, has appointed CS Mr. Tapan Shah, Practicing Company Secretary, Ahmedabad (FCS: 4476; CP No.: 2839) as the Scrutinizer for conducting the Postal Ballot by remote e-voting process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman of the Company (‘the Chairman’) or to any other person authorized by the Chairman after the completion of the scrutiny of E-voting data. The result of the Postal Ballot / E-voting shall be declared within two working days of end of E-voting and upon receipt of report of the Scrutinizer and communicated to BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) (together the “Stock Exchanges”), CDSL and shall also be displayed on the Company’s website at www.ashima.in

The last date of the E-voting shall be the date on which the resolution shall be deemed to have been passed, if approved by the requisite majority.

SPECIAL BUSINESS:

ITEM NO. 1

Re-appointment of Mr. Chintan N. Parikh (DIN: 00155225), as Managing Director of the Company.

To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modifications or re-enactment thereof for the time



being in force) read with Schedule V of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Articles of Association of the Company and subject to such approvals and permissions, as may be required and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Chintan N. Parikh (DIN : 00155225) as Managing Director of the Company for a period of three (3) years with effect from 7th February, 2023 on the terms and conditions of re-appointment and remuneration as set out hereunder:

I. Salary:

The Managing Director shall be entitled to a salary of Rs.8,75,000/- (Rupees Eight Lacs Seventy Five Thousand only) per month.

II. House Rent Allowance:

House rent allowance of Rs.3,75,000/- (Rupees Three Lacs Seventy Five Thousand only) per month.

III. Perquisites:

- a. Provision of car with chauffeur for use on Company's business and telephone at residence. However, personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.
- b. Contribution of Provident Fund – Rs.1,05,000/- (Rupees One Lac Five Thousand only) per month.
- c. Encashment of leave at the end of tenure not to exceed salary and house rent allowance for a period of 28 days in a year. The amount shall not exceed Rs.11,66,667/- (Rupees Eleven Lacs Sixty Six Thousand Six Hundred Sixty Seven only) per annum.
- d. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service

Note: The aforesaid items (b) (to the extent it is not taxable under the Income Tax Act, 1961), (c) and (d) above shall not be included in the computation of the ceiling on remuneration as specified under Section II of Part II of Schedule V of the Companies Act, 2013.

- IV. Sitting Fees – The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof during the tenure of his appointment.
- V. The headquarter of the Managing Director shall be Ahmedabad in the State of Gujarat.
- VI. Subject to the provisions of the Act, the Managing Director shall be liable to retire by rotation.
- VII. The Managing Director shall not during the continuance of his tenure or at any time thereafter divulge or disclose to any person whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his tenure as to the business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Managing Director shall during the continuance of his tenure hereunder also use his best endeavors to prevent any other person from doing so.
- VIII. Subject to the superintendence, control and direction of the Board as it may from time to time determine, the Managing Director shall have substantial powers of the management of the Company and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

RESOLVED FURTHER THAT the Board of Directors / Committee constituted by the Board or any Key Managerial Personnel of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.”



Registered Office:
Texcellence Complex,
Khokhara-Mehmedabad
Ahmedabad – 380 021

By Order of the Board of Directors

Shweta Sultania
Company Secretary & Compliance Officer
Membership No.: ACS 22290

Date : 12th November, 2022
Place: Ahmedabad

NOTES:

1. The explanatory statement pursuant to Section 102 of the Act stating all material facts in respect of the proposed resolution is annexed herewith. The relevant details of the person seeking appointment/ re-appointment as Director is also annexed to this Notice as Annexure-A.
2. In terms of the MCA Circulars, the Postal Ballot Notice (“Notice”) is being sent by electronic mode only to those members whose email addresses are registered with the Company’s Registrar and Share Transfer Agent, Link Intime India Private Limited (“Link Intime”) / Depository Participant(s) on the Cut-off date i.e. Friday, November 18, 2022. Members may note that this Notice will be available on the Company’s website viz. www.ashima.in
3. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the **Cut-off date i.e. Friday, 18th November, 2022**, shall be entitled to avail the facility of remote e-voting. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date. **A person who is not a Member as on the Cut-off date should treat this Notice for information purpose only.**
4. Resolution passed by the shareholders through Postal Ballot is deemed to have been passed as if it has been passed at a General Meeting of the shareholders. The last date of the E- voting shall be the date on which the resolution shall be deemed to have been passed, if approved by the requisite majority.
5. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.
6. General information and instructions relating to remote e-voting:
 - i. Pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules framed thereunder and Regulation 44 of SEBI LODR Regulations, the Company is offering remote e-voting facility to its shareholders in respect of the resolution proposed to be passed in terms of this Postal Ballot Notice. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Authorized Agency to provide remote e-voting facility . The remote e-voting facility will be available during the following voting period:
 - a) **Commencement of remote e-voting: Thursday, 24th November, 2022 at 9:00 a.m. (IST)**
 - b) **End of remote e-voting: Friday, 23rd December, 2022 at 5:00 p.m. (IST)**
 - ii. **The cut-off date for the purpose of remote e-voting is Friday, 18th November, 2022.**
 - iii. Please read the instructions for remote e-voting given below before exercising the vote.
 - iv. In terms of SEBI circular_no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/ NSDL is given below:



| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting service providers. |
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. |



| | |
|---|--|
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period.</p> |
|---|--|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at [abovementioned websites](#).

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

v. Login method for e-Voting for shareholders other than individual shareholders holding shares in demat form & physical shareholders

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

| For Physical Shareholders and other than Individual Shareholders holding shares in demat form | |
|--|---|
| PAN | <ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/RTA/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | <ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

- 7) After entering these details appropriately, click on "SUBMIT" tab.



- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN of Ashima Limited on which you choose to vote.
- 11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 12) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- 14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

17) Additional Facility for Non – Individual Shareholders and Custodians –Remote e-Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; scrutinizer@tapanshah.in and investor_redressal@ashima.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

18) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company email id: investor_redressal@ashima.in/ RTA email id: ahmedabad@linkintime.co.in**



2. For Demat shareholders -Please update your email id & mobile no. with your respective Depository Participant (DP)
 3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.
- 19) If you have any queries or issues regarding remote e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542-43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542-43.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

Item no. 1:

On recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company has at its meeting held on 12th November, 2022 approved the re-appointment of Mr. Chintan N. Parikh as Managing Director of the Company on the terms and conditions including remuneration as set out in the resolution mentioned at Item No. 1 of this Notice for a period of 3 years from 7th February, 2023 to 6th February, 2026.

The remuneration mentioned in the said resolution is in accordance with the provisions contained under Section II of Part II of Schedule V of the Companies Act, 2013.

The remuneration as set out in the said resolution is appropriate in terms of the size of the Company and as compared to persons of his qualifications, cadre, knowledge and experience in the industry.

This statement containing following information is given as per Section II of Part II of Schedule V of the Companies Act, 2013:

I. General Information:

The Company was incorporated in the year 1982 and is already in commercial production since quite a long time. The Company is primarily engaged in the Textile Business and one of India's leading 100% cotton fabric manufacturers. It offers a range of cotton textile products encompassing Denims, garments and ready-to-stitch fabrics and is also engaged in garment processing. Recently, it has commenced activities in the Real Estate business and has also started investment activities. Based on audited standalone financial statement for the year ended on 31.03.2022, the Turnover & other income were Rs.20999 lacs. The Company has reported a profit of Rs.1,792 lacs for the year ended 31.03.2022 as compared to a loss of Rs.1,176 lacs in the preceding year. Profit for the year ended 31.03.2022 includes exceptional items of Rs.3,579 lacs towards profit on sale of land and a loss of Rs.316 lacs related to discontinued operations. The foreign holding including Non-Resident Indians (NRIs) holding is 0.79% of the equity share capital of the Company.

II. Information about the appointee:

Mr. Chintan N. Parikh, Founder and Chairman of Group Ashima, started his career as a first-generation entrepreneur in 1981. He had a dream to make Ashima, a front runner in the world of cotton textiles. He was a doctoral student of Indian Institute of Management (IIM), Ahmedabad in the area of Finance & Accounting. He was also a Member of the Board of Governors of IIM, Ahmedabad during April 2007 to April 2016, for consecutive 3 terms, each term having tenure of 3 years. He was also specially appointed as President of Gujarat Chamber of Commerce and Industry (GCCI) for the year 2010-11, by the Empowered Committee of GCCI, entrusted with the task of transforming functioning and operations of GCCI including its constitution, which task he successfully accomplished. He has about 40 years of experience in the field of textiles. He was also a President of Ahmedabad Textiles Mills Association (ATMA). In nineties, his vision to bring world class technology and global customers at the doorstep of India, started a



new era for cotton fabrics in India. Under his leadership, the company established itself strongly in the domestic and international markets as a supplier of quality fabrics.

After successful financial restructuring in the year 2015, under the guidance and supervision of Managing Director, the Company underwent a modest modernization programme in the form of an operational restructuring by way of making investments into de-bottlenecking, upgrading and modernizing the existing production operations with an objective of creating an efficient and competitive business organization that is financially viable and stable. The Company turned its focus on realigning its operational facilities. Since the year 2017, the focus is on consolidation of businesses, improvement in working capital management and export markets. The Managing Director has made strenuous and single point efforts in upliftment of the Company to bring it back to the level prior to restructuring.

Under his able leadership, the Company successfully completed merger of Ashima Dyecot Private Limited (ADPL) as a step towards consolidation of the textile business and forward integration and also diversified into a new business segment which is Real Estate and has put up a new weekend home project in the name of Swan Lake.

Mr. Chintan N. Parikh, Managing Director of the Company is responsible for day to day management and affairs of the Company, subject to overall superintendence, control and directions of the board of directors of the Company. Taking into account his qualification, consideration, dedication and his valuable contribution in the fields of textiles since long, he is best suited for the responsibilities assigned to him as Managing Director of the Company. Currently, he is being paid a remuneration of Rs.120 Lacs per annum and other perquisites for his current term of 3 years which will end on 06.02.2023. The proposed remuneration and other perquisites as recommended by Nomination & Remuneration Committee and approved by the Board of Directors of the Company at the meeting held on 12th November, 2022 are fully set out herein above. Considering the size of the Company, the profile of Mr. Chintan N. Parikh, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the remuneration packages paid to similar appointees in other companies.

Besides the remuneration proposed, Mr Chintan N. Parikh does not have any pecuniary relationship with the Company directly or indirectly. He holds 1,56,670 equity shares in the share capital of the Company and is part of the Promoter and Promoter Group of the Company.

III. Other Information:

a. Reasons for loss or inadequate profits:

During the financial year 2021-22, the bottom line has been adversely affected due to a few major challenges beyond the control of the Company. The severe second wave of Covid pandemic during the first quarter of that year had a significant adverse financial impact due to abrupt disruption of business activities. During the latter part of the said year, the company's wet processing operations remained suspended across various divisions from end-November, 2021 due to disconnection of effluent discharge facility by the Ahmedabad Municipal Corporation as per directions of Hon'ble Gujarat High Court, in a suo-moto public interest litigation, in spite of company being fully compliant and holding all requisite permissions.

b. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

In order to cope up with the situation in the aftermath of disconnection of effluent discharge facility, the company has resorted to outsourcing arrangement. However, extra costs are associated with such an arrangement and the same is not a long-term solution. The operations and the profitability are likely to remain under stress for some time. To overcome effluent discharge issues, the company has decided to go for Zero Liquid Discharge (ZLD) facility. The installation of the ZLD facility for effluent discharge is progressing and is likely to be operational in a couple of months, after which the wet processing production activities are expected to be normalized. The Company has already undertaken debottlenecking of its fabric processing activities and is hopeful of achieving decent volume growth during the later part of the year. The Real Estate activities of the company is also likely to pick up pace and add to the revenues and profitability of the company during the later part of the current year.

IV. Disclosures:

The resolution sets out the entire terms and conditions of his re-appointment and remuneration. The Board of Directors recommends the Special Resolution as set out at Item No. 1 of this Notice for approval of the members.



Except, Mr. Chintan Parikh being an appointee, Mr. Krishnachintan Parikh and their relatives, none of the other Directors, Key Managerial Personnel (KMP) and their relatives are anyway concerned or interested, financially or otherwise in the said resolution.

Registered Office:
Texcellence Complex,
Khokhara-Mehmedabad
Ahmedabad – 380 021

By Order of the Board of Directors

Shweta Sultania
Company Secretary & Compliance Officer
Membership No.: ACS 22290

Date : 12th November, 2022
Place : Ahmedabad

ANNEXURE-A TO THE NOTICE
Details of Director seeking appointment/ re-appointment

(Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India)

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| Name of Director | Mr. Chintan N. Parikh (DIN: 00155225) |
| Date of Birth | 25th May, 1957 |
| Original Date of Appointment on the Board | 17th June, 1982 |
| Qualifications | B.A. (Economics), MBA (Finance). He was a Doctoral Student at IIM, Ahmedabad. |
| Experience / Expertise in Specific Functional Areas | He has about 40 years of experience in the field of textiles. Vast experience in the fields of finance and accounts. |
| Relationship between Directors inter-se | Related to Mr. Krishnachintan Parikh, Executive Director of the Company. |
| No. of Board meetings attended during the year (2021-22) | 4 (four) |
| Terms and conditions of appointment/ re-appointment along with details of remuneration sought to be paid | Please refer to resolution at Item No. 1 of this Notice. |
| Details of last drawn remuneration | Please refer to resolution at Item No. 3 of the Notice of Annual General Meeting (AGM) held on September 29, 2020 read with Explanatory Statement annexed thereto. |
| Directorship held in Other Listed entities | NIL |
| Resignation from Listed Entities in past three years | NIL |
| Chairmanship/ Membership of Board Committees in other listed entities | NIL |
| Shareholding in the Company | 1,56,670 Equity Shares |